

**THE
PREMIER TRUST
COMPANY**

INCORPORATED
BY ACT OF
PARLIAMENT OF CANADA

**SIXTY-FIRST
ANNUAL REPORT**

1976

MEMBER
CANADA DEPOSIT INSURANCE
CORPORATION

BOARD OF DIRECTORS

THOMAS H. HOLMES, M.D.
President

G. DADSWELL
Vice-President

MARY ANDERSON

L. J. FLECK

E. L. HAMILTON

G. F. McCANN

DAVID B. WEATHERHEAD

THOMAS B. HOLMES
General Manager

G. DADSWELL
Secretary

OFFICES

Toronto

19 Richmond Street West
J. F. BROMLEY, Manager

St. Catharines

44 James Street
A. W. G. HALL, Manager

London

428 Richmond Street
G. T. WELSH, Manager

THE PREMIER TRUST COMPANY

STATEMENT OF INCOME

For the Year Ended December 31, 1976

	1976	1975
Income		
Mortgage interest	\$6,711,897	\$6,100,198
Bond interest	852,421	715,735
Other income	677,490	667,347
	<u>8,241,808</u>	<u>7,483,280</u>
Expenses		
Interest on deposits	5,405,840	5,026,960
Salaries and staff benefits	654,200	588,408
Other operating expenses	458,548	408,553
Depreciation	16,497	17,292
	<u>6,535,085</u>	<u>6,041,213</u>
Income before taxes	1,706,723	1,442,067
Income taxes: Current	752,887	665,474
Deferred	17,113	14,526
	<u>770,000</u>	<u>680,000</u>
Operating income	936,723	762,067
Profit on sale of investments		
less related income taxes	nil	nil
Net income	<u>\$ 936,723</u>	<u>\$ 762,067</u>
Net income per share	<u>\$ 7.65</u>	<u>\$ 6.22</u>

STATEMENT OF RETAINED EARNINGS

For the Year Ended December 31, 1976

	1976	1975
Balance, beginning of year	\$ 126,010	\$ 161,943
Net income for year	936,723	762,067
	<u>1,062,733</u>	<u>924,010</u>
Less: Dividends	98,000	98,000
Transfer to general reserve	800,000	700,000
	<u>898,000</u>	<u>798,000</u>
Balance, end of year	<u>\$ 164,733</u>	<u>\$ 126,010</u>

STATEMENT OF GENERAL RESERVE

For the Year Ended December 31, 1976

	1976	1975
Balance, beginning of year	\$6,400,000	\$5,700,000
Transfer from retained earnings	800,000	700,000
Balance, end of year	<u>\$7,200,000</u>	<u>\$6,400,000</u>

THE PREMIER TRUST COMPANY

BALANCE SHEET — 1976

ASSETS		
	1976	1975
Cash and bank deposit receipts	\$ 3,430,885	\$ 2,124,018
Secured loans	220,500	215,262
Canada bonds, at amortized cost	10,873,092	10,607,201
(Market value 1976 \$10,906,539 1975 \$10,573,991)		
Stocks, at cost	413,177	413,177
(Market value 1976 \$1,142,557 1975 \$1,064,486)		
Mortgages	61,045,538	58,493,933
Office premises, at cost, less accumulated depreciation \$694,868 (1975 \$678,371)	444,748	458,254
	<u>\$76,427,940</u>	<u>\$72,311,845</u>

DIRECTORS

We certify that to the best of our knowledge and belief, the condition of the Company's affairs.

THOMAS H. HOLMES
President

G. D. ...
Vice-President

AUDITOR

To the Shareholders,
The Premier Trust Company,
Toronto, Ontario.

I have examined the balance sheet of The Premier Trust Company, its earnings and general reserve for the year then ended and have obtained satisfaction that the same are correct in all material respects and that the same have been made in accordance with generally accepted auditing standards, and that the same are necessary in the circumstances.

In my opinion, except that mortgages are not carried at amortized cost, the financial position of the Company as at December 31, 1976, and the results of its operations are fairly stated in accordance with generally accepted accounting principles applied on a basis consistent with that of the Company, and the explanations given to me and as shown by the books of the Company.

Toronto, Ontario,
January 7, 1977.

JUST COMPANY

DECEMBER 31, 1976

LIABILITIES

	1976	1975
Trust deposits	\$10,545,020	\$ 9,857,774
Guaranteed investment certificates	56,696,774	54,204,859
Total guaranteed account	<u>\$67,241,794</u>	<u>\$64,062,633</u>
Income taxes payable	107,013	288
Dividend payable	24,500	24,500
Other liabilities	32,166	57,793
Deferred income taxes	432,734	415,621

SHAREHOLDERS' EQUITY

Share capital		
Authorized — 300,000 shares of \$10 each		
Issued — 122,500 shares	\$ 1,225,000	\$ 1,225,000
General reserve	7,200,000	6,400,000
Retained earnings	164,733	126,010
	<u>8,589,733</u>	<u>7,751,010</u>
	<u>\$76,427,940</u>	<u>\$72,311,845</u>

CERTIFICATE

I have examined the statement and find that the statement is correct and shows truly and clearly the financial

WILL
agent

G. F. McCANN
Director

REPORT

As at December 31, 1976, and the statements of income, retained
the information and explanations I have required. My examination
accordingly included such tests and other procedures as I considered

As explained in note 1(b), these financial statements present fairly the
its operations for the year then ended in accordance with generally
preceding year, according to the best of my information and the

John E. Goodwin, F.C.A.

THE PREMIER TRUST COMPANY

NOTES TO FINANCIAL STATEMENTS

1. Summary of significant accounting policies

(a) Investments

Canada Bonds are stated at amortized cost and stocks at original cost. Gains and losses are recorded upon sale of investments.

(b) Mortgages

Mortgages, including those acquired at a discount, are recorded at cost. Discounts are taken into income in the year in which the balance of cost has been recovered.

(c) Offices premises

This includes land, buildings and office equipment. Depreciation of buildings and office equipment is calculated at the maximum rates allowed for income tax purposes.

(d) Income taxes

Income taxes are provided on reported income in accordance with the tax allocation method. Income taxes that are not currently payable because of timing differences, are shown as deferred.

(e) Income and expenses

Investment income and interest expense are recorded on the accrual basis. Estate and trust fees are included in income as they are received.

2. Statutory information

The aggregate remuneration paid or payable by the Company to directors and senior officers during the year was \$214,842. (1975 \$191,273)

THE PREMIER TRUST COMPANY

SERVICES

SAVINGS:

Accepts money on deposit, withdrawable by cheque and allows interest on credit balances.

GUARANTEED INVESTMENTS:

Accepts money in trust for investment for any period and guarantees repayment of interest and principal. The Guaranteed Investment Certificates issued by The Premier Trust Company are authorized by law as a trustee investment, bear an attractive rate of interest and are suitable not only for the ordinary investor but for executors and trustees. Write or telephone for descriptive folder.

MORTGAGES:

Lends money upon security of selected first mortgages of real estate.

Acts as collection and lending agent for mortgagees.

Lends to mortgagees upon security of mortgages.

Purchases mortgages.

CALL LOANS:

Lends money to firms and corporations, brokers, bond houses and individuals upon security of eligible marketable collateral such as bonds, stocks, Guaranteed Investment Certificates, etc. Lowest current interest rates. Prompt service. Borrowers are invited to enquire. Loans may be arranged by mail.

ESTATES:

Administers estates where the Trust Company is acting as executor under will or as administrator under court order or as trustee.

Acts as receiver, manager, attorney, guardian or committee.

REAL ESTATE:

Member of Toronto Real Estate Board.

Acts as rental and sales agent for owners of real estate, and manages properties such as apartments, office buildings, etc.

THE PREMIER TRUST COMPANY

SERVICES

CORPORATE TRUSTS:

Administers the affairs of corporations for which the Trust Company acts as trustee, receiver or manager.

Acts as liquidator in voluntary winding up and under the Winding Up Act.

Acts as manager, comptroller, accountant, treasurer and secretary.

Acts as trustee in bond issues, as manager of sinking funds and as trustee for pension funds.

Acts as depository and disbursing agent.

ACCOUNTING:

Incidental to its other services, the Trust Company installs and operates systems of accounts, records and filing; carries out examinations of books and accounts; furnishes reports and statements; performs general secretarial services.

SECURITIES:

Purchases, holds, sells and exchanges bonds, debentures, stocks and other securities.

Collects and remits proceeds of bond interest coupons, stock dividends, etc.

Acts as investment counsel and furnishes reports on investments.

STOCK TRANSFER:

Transfers and registers shares and other securities of corporations or syndicates for which the Trust Company has been appointed transfer agent or registrar.

Countersigns and certifies as to the genuineness of issues of securities.

Acts as dividend disbursing agent, escrow agent and pool trustee.

SAFE DEPOSIT BOXES:

Rents safe deposit boxes and accepts custody of valuables for safekeeping.